

July 1, 2002

Honorable Jamie A. Morela
Superintendent of Public Instruction
State Department of Education
1535 West Jefferson Street
Phoenix, Arizona 85007

Dear Superintendent Morela:

This is to inform you that we have conditionally approved Arizona's Eligibility Document Submission for Federal Fiscal Year (FFY) 2002 under Part B of the Individuals with Disabilities Education Act (IDEA). Our determination that you are eligible for a conditional approval is based on our receipt of the following documents submitted by Arizona to the Office of Special Education Programs:

1. The Part B Eligibility Document Submission for FFY 2002 including the Eligibility Documents submitted April 14, 2000, subsequent revisions to those Eligibility Documents and the Submission Statement submitted May 22, 2002; and
2. The June 24, 2002 letter from Arizona to OSEP, in which Arizona assures that as soon as possible, but no later than July 1, 2003, Arizona will complete all of the changes set forth in the June 26, 2002 issues chart including §§300.571 (a), (b), and (c) and submit a copy of the final regulations and the signed interagency agreement between the Arizona Department of Education and the Arizona Department of Economic Security.
3. In the June 24, 2002 letter, Arizona also assures that it will take steps to ensure that, throughout the period of this grant award, all public agencies in the State that provide special education and related services to children with disabilities will operate their programs in a manner fully consistent with Part B. Arizona further assures that it will provide OSEP with a copy of a memorandum notifying all public agencies of the changes that impact on public agencies' provision of special education and related services that OSEP requires as a result of its review of the State's eligibility documents.

Please note that as part of your Eligibility Document Submission for FFY 2002, your State has made an assurance, under 34 CFR §80.11(c), that it will comply with all applicable Federal statutes and regulations in effect with respect to the periods for which it receives grant funding. Any changes made by the State, after OSEP approval, to information that is a part of a State's Eligibility Document Submission, must meet the public participation requirements of the IDEA and must be approved by OSEP before implementation.

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Enclosed are grant awards for funds currently available under the Department of Education FFY 2002 Appropriations Act for the Part B Section 611 (Grants to States) and Section 619 (Preschool Grants) programs. These funds are for use primarily in school year 2002-2003 and are available for obligation by States from July 1, 2002 through September 30, 2004.

The amount in your award for Section 619 represents the full amount of funds to which you are entitled. However, the amount shown in your award for the Section 611 program is only part of the total funds that will be awarded to you for FFY 2002. Of the \$7,528,533,000 appropriated for Section 611 in FFY 2002, \$2,456,533,000 is available for awards on July 1, 2002, and \$5,072,000,000 will be available on October 1, 2002.

The funding formula for the Section 611 program is the same as was implemented for FFY 2000. Subject to certain maximum and minimum funding requirements, State allocations are based on the amount that each State received from FFY 1999 funds, the general population in the age range for which each State ensures a free appropriate public education (FAPE) to all children with disabilities, and the number of children living in poverty in the age range for which each State ensures FAPE to all children with disabilities.

Enclosure A provides a short description of how Section 611 funds were allocated and how those funds can be used. In addition, Table I in Enclosure A shows funding levels for distribution of Section 611 funds.

Enclosure B provides a short description of how Section 619 funds were allocated and how those funds can be used. In addition, Table II in Enclosure B shows State-by-State funding levels for distribution of Section 619 funds.

These awards are based on submission of a complete eligibility document package, a signed assurance statement regarding resolution of issues identified in OSEP's review of that eligibility document package, and implementation of the provisions of the Individuals with Disabilities Education Act. The complete eligibility document package and assurances must be made available for public inspection.

We appreciate your ongoing commitment to the provision of quality educational services to children with disabilities.

Sincerely,

Stephanie S. Lee
Director
Office of Special Education Programs

Enclosures

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cc: Steve Mishlove
Lynn Busenbark